

DEPARTMENT OF TRANSPORTATION

FINANCIAL SUMMARY

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
Highway Administration	\$ 29,874,741	\$ 32,971,184	\$ 26,782,571	\$ 27,173,333
Fringe Benefits	99,139,541	115,508,286	132,892,904	132,892,904
Service Operations	102,940,278	100,304,371	98,888,105	99,201,424
Highway Maintenance	228,205,923	264,945,784	291,861,982	294,458,297
Highway Construction	1,311,837,913	1,157,438,643	1,030,213,940	1,031,830,268
Multimodal Operations and Programs	48,013,753	53,445,347	69,521,507	54,645,566
DEPARTMENTAL TOTAL	\$ 1,820,012,149	\$ 1,724,613,615 *	\$ 1,650,161,009	\$ 1,640,201,792
General Revenue Fund	10,385,355	10,665,296	26,773,614	11,871,012
Federal Funds	29,251,978	55,597,241	53,276,001	53,292,811
Motorcycle Safety Trust Fund	0	50,000	300,000	300,000
Grade Crossing Safety Account	0	1,500,000	1,500,000	1,500,000
State Road Fund	1,435,689,833	1,277,914,494	1,170,684,266	1,170,684,266
State Highways and Transportation Department Fund	336,207,110	370,626,500	389,337,766	394,248,442
Railroad Expense Fund	0	861,839	870,001	878,489
State Transportation Fund	1,575,763	1,771,132	1,765,428	1,766,238
Light Rail Safety Fund	0	1	1	1
State Transportation Assistance Revolving Fund	425,000	550,000	550,000	550,000
Aviation Trust Fund	6,477,110	5,077,112	5,103,932	5,110,533
Full-time equivalent employees	6,671.75	6,682.25	6,690.25	6,690.25

* Does not include \$1,063,602 recommended in the Fiscal Year 2004 Supplemental Appropriations. See the Supplemental Section of the Missouri Budget for details regarding the Department of Transportation supplemental appropriations.

POLICY SUMMARY

Governor Holden's budget for Fiscal Year 2005 provides a total of \$1.6 billion for the Department of Transportation. The department is responsible for overseeing all aspects of Missouri's transportation system. The core functions of the Department of Transportation include:

- Constructing and maintaining the state road and bridge system – a key component of state economic development efforts.
- Providing capital improvement and operating assistance grants for rural and urban transit systems, public airports, ports, ferry boats, and passenger rail service.
- Registering commercial motor vehicles.

Protecting Missouri's Transportation Infrastructure

Missouri's position at the center of the nation makes it a transportation hub for national and international traffic, but people and goods cannot be moved efficiently when the roads and bridges are in poor condition. If the state is to benefit from the economic advantages of being a transportation hub, the transportation infrastructure must be adequately maintained. The Missouri State Highways and Transportation Commission has begun to focus more of its limited resources toward maintaining the existing road and bridge infrastructure. In addition, since 2000 the commission has issued \$907 million in bonds to fund high priority road and bridge projects. For Fiscal Year 2005, Governor Holden recommends:

- \$121.9 million state road fund for road and bridge construction and maintenance.
- \$2.5 million state road fund for additional federal transportation enhancement projects.

DEPARTMENT OF TRANSPORTATION

POLICY SUMMARY (Continued)

Ensuring Safety on Missouri Roadways

With over 32,000 miles of roadways composing the seventh largest road and bridge system in the country, the Department of Transportation assumes a huge responsibility for the safety of highway users. Various safety programs are administered in an effort to reduce deaths, injuries, and property damage caused by personal and commercial vehicle traffic crashes on Missouri roadways. In addition, the department works to improve the designs, signage, and striping of roadways to help prevent traffic crashes. For Fiscal Year 2005, Governor Holden recommends:

- \$1.1 million state highways and transportation department fund for a program to assist new commercial motor carriers in meeting required safety standards.
- \$250,000 motorcycle safety trust fund for expansion of a program that instructs riders regarding the safe operation of a motorcycle.

Maintaining Passenger Rail Service

Passenger rail service provided an alternate mode of transportation for over 167,000 passengers in Fiscal Year 2003. This service is particularly important for people who do not have access to a personal vehicle, but have the need to travel between St. Louis and Kansas City. For Fiscal Year 2005, Governor Holden recommends:

- \$1.2 million to maintain daily, round-trip, passenger rail service between St. Louis and Kansas City.

Improved Efficiency

Missouri has always been a low tax state and has, therefore, provided only essential services at a very low cost. The state's already low tax level, combined with two consecutive years of declining revenue, has led to significant reductions in many programs. However, under Governor Holden's leadership, state agencies have minimized the negative impact on services by dramatically reducing administrative costs and by developing ways to provide remaining services in the most efficient manner possible.

The Department of Transportation has aggressively improved the services it provides and has reduced administrative costs by:

- Consolidating administrative functions throughout the department, resulting in a reduction of over \$19 million and 255 staff in Fiscal Year 2003, which was redirected to the construction program.
- Reallocating \$2 million from administration to maintenance projects in Fiscal Year 2004.
- Revamping the department's fleet operations, resulting in cost savings of almost \$2 million. These savings were redirected toward replacement of equipment that was in need of replacement.
- Renegotiating rest area service contracts and refinancing lease/purchase contracts that resulted in cost savings of over \$1 million. These savings were redirected to fund highway maintenance projects.
- Eliminating seven public information officers, resulting in savings of approximately \$300,000 annually.

In addition to cost-cutting measures already implemented, the Department of Transportation plans to:

- Scrutinize all job vacancies, filling only critical positions.
- Eliminate seven staff positions no longer necessary because of improved administrative operations.
- Study purchasing practices to find more efficient ways of providing employees with the equipment and supplies needed to maintain the state transportation system.
- Study the feasibility of consolidating maintenance shed operations to provide services more efficiently at the local level.

Cuts Already Made

The Department of Transportation has worked to minimize the impact of reduced funding on services. However, the department's funding for services has been cut in recent years. For example, operating assistance for transit providers has been reduced by over \$4.6 million since Fiscal Year 2002, eliminating approximately 1,250,000 trips. Many people who are not able to drive, or do not own a vehicle, rely on public transportation to get to work, to get to medical appointments, and to carry out other daily activities. In addition, funding for the Missouri Elderly and Handicapped Transportation Assistance Program (MEHTAP) was cut by nearly \$150,000, eliminating approximately 29,400 trips in 2004. The MEHTAP program provides operating assistance to local, non-profit transportation providers, many of which are located in rural areas.

DEPARTMENT OF TRANSPORTATION

POLICY SUMMARY (Continued)

Some performance measures the Department of Transportation uses to evaluate its goal of preserving and improving Missouri's transportation system to enhance safety and encourage prosperity follow.

	2000	2001	2002
Rate of vehicle accidents per 100 million miles traveled (state system only)	185.45	193.63	193.88
Rate of injury accidents per 100 million vehicle miles (state system only)	53.98	54.63	56.11
Rate of fatal accidents per 100 million vehicle miles (state system only)	1.55	1.52	1.69
Vehicle miles traveled annually (state system only)	47.0 billion	47.5 billion	47.9 billion
Percent of bridges that meet condition standards	85.7%	85.8%	85.6%

	2001	2002	2003
Amtrak ridership	207,928	188,800	167,245
Barge tonnage loaded/unloaded at Missouri ports	3,521,671	3,800,000	2,300,000
Missouri Elderly and Handicapped Transportation Assistance Program – number of trips provided	4,516,407	4,356,938	4,571,277

DEPARTMENT OF TRANSPORTATION

HIGHWAY ADMINISTRATION

This section includes divisions that support the operations of the Highways and Transportation Commission, as well as the central functions of the department such as accounting, risk management, financial planning, and human resource management. Also included in this section is the internal Office of Inspector General, which is charged with oversight of all of the department's expenditures.

Fiscal Year 2005 Governor's Recommendations

- \$390,762 state highways and transportation department fund for pay plan.
- (\$5,077,070) state highways and transportation department fund and (126) staff reallocated to various divisions.
- (\$1,111,543) state highways and transportation department fund core reduction from the Fiscal Year 2004 appropriation level.

FRINGE BENEFITS

This section includes the costs of providing medical and life insurance, retirement benefits, and workers' compensation for all Department of Transportation employees that are members of the Highway Employees and Highway Patrol Retirement System.

Fiscal Year 2005 Governor's Recommendations

- \$17,788,669 federal and other funds for increased fringe benefit costs.
- (\$404,051) core reduction from the Fiscal Year 2004 appropriation level, including (\$18) general revenue.

SERVICE OPERATIONS

This section consists of General Services and Information Systems. The General Services section provides fleet and facilities management, graphic services, procurement, and other special services. The Information Systems section oversees the department's information technology infrastructure and assists users of the system. Information systems are vital to the efficient day-to-day operations of the department.

Fiscal Year 2005 Governor's Recommendations

- \$5,474,000 state road fund for service operations of the department.
- \$313,319 state highways and transportation department fund for pay plan.
- (\$6,598,774) state highways and transportation department fund and (39.50) staff reallocated to various divisions.
- (\$291,492) federal and other funds core reduction from the Fiscal Year 2004 appropriation level.

DEPARTMENT OF TRANSPORTATION

HIGHWAY MAINTENANCE

The Highway Maintenance section maintains the state road system, public rest areas, and weigh stations. Projects such as road and shoulder rehabilitation, bridge repair and maintenance, snow and ice removal, right-of-way mowing, and many other maintenance projects protect the state's investment in the transportation infrastructure and improve safety on Missouri roadways. This section also includes highway safety programs and the oversight of commercial motor vehicles throughout the state.

Fiscal Year 2005 Governor's Recommendations

- \$15,094,044 state road fund for maintenance projects.
- \$3,025,266 state highways and transportation department fund and 40.55 staff for the Motor Carrier Services Program.
- \$608,148 state road fund for the maintenance program made available due to a reduction in administration.
- \$250,000 motorcycle safety trust fund for the motorcycle safety program.
- \$2,596,315 federal and other funds for pay plan.
- \$10,494,127 state road fund and 141.50 staff reallocated from various divisions in the department.
- (\$2,555,387) federal funds and (32.55) staff core reduction from the Fiscal Year 2004 appropriation level.

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	GOVERNOR RECOMMENDS FY 2005
PERSONAL SERVICE			
Federal Funds	\$ 0	\$ 1,364,333	\$ 453,595
State Highways and Transportation Department Fund	114,483,266	124,430,700	133,388,049
EXPENSE AND EQUIPMENT			
Federal Funds	0	1,877,775	842,732
Motorcycle Safety Trust Fund	0	50,000	0
State Road Fund	112,924,703	116,675,404	137,218,646
State Highways and Transportation Department Fund	0	1,324,502	2,728,513
PROGRAM SPECIFIC DISTRIBUTION			
Federal Funds	0	18,632,751	18,633,095
Motorcycle Safety Trust Fund	0	0	300,000
State Road Fund	797,954	590,319	893,667
TOTAL	\$ 228,205,923	\$ 264,945,784	\$ 294,458,297
Federal Funds	0	21,874,859	19,929,422
Motorcycle Safety Trust Fund	0	50,000	300,000
State Road Fund	113,722,657	117,265,723	138,112,313
State Highways and Transportation Department Fund	114,483,266	125,755,202	136,116,562
Full-time equivalent employees	3,726.84	3,716.75	3,866.25

DEPARTMENT OF TRANSPORTATION

HIGHWAY CONSTRUCTION

This section oversees the state road construction program and such activities as land acquisition, contracting for road and bridge construction, monitoring of construction programs, and transportation enhancement activities.

Fiscal Year 2005 Governor's Recommendations

- \$106,773,535 state road fund for construction projects.
- \$15,989,846 state road fund for debt service on outstanding road bonds.
- \$2,500,000 state road fund for transportation enhancement projects statewide.
- \$1,826,803 state road fund for increased cost of general liability insurance for the department.
- \$503,395 state highways and transportation department fund for the construction program made available due to a reduction in administration.
- \$1,616,328 state highways and transportation department fund for pay plan.
- \$1,181,717 state road fund and 24 staff reallocated from various divisions in the department.
- (\$255,999,999) state road fund core reduction from the Fiscal Year 2004 appropriation level to accurately reflect available funding for road and bridge projects.

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	GOVERNOR RECOMMENDS FY 2005
PERSONAL SERVICE			
State Highways and Transportation Department Fund	\$ 77,701,648	\$ 79,634,659	\$ 82,432,704
EXPENSE AND EQUIPMENT			
State Road Fund	1,088,153,454	888,338,561	775,078,521
PROGRAM SPECIFIC DISTRIBUTION			
State Road Fund	145,982,811	189,465,423	174,319,043
TOTAL	\$ 1,311,837,913	\$ 1,157,438,643	\$ 1,031,830,268
State Road Fund	1,234,136,265	1,077,803,984	949,397,564
State Highways and Transportation Department Fund	77,701,648	79,634,659	82,432,704
Full-time equivalent employees	1,975.75	1,913.00	1,937.00

**DEPARTMENT OF TRANSPORTATION
MULTIMODAL OPERATIONS AND PROGRAMS**

FINANCIAL SUMMARY

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	GOVERNOR RECOMMENDS FY 2005
Multimodal Operations	\$ 4,494,763	\$ 7,274,710	\$ 6,916,855
Transit Programs			
Capital Assistance for Transportation of Elderly and Disabled Citizens	3,008,925	2,003,255	2,083,385
State Aid for Transportation of Elderly, Disabled, and Low-Income Citizens	2,709,989	2,793,805	2,793,805
Small Urbanized Transit	0	1	1
Small Urban and Rural Transportation	7,262,406	5,828,263	6,061,394
Public Transit Capital Grants	6,979,819	12,000,000	12,000,000
Transit Planning Grants	756,596	1,120,311	1,165,123
Railroad Programs			
Local Rail Service Assistance	0	1	1
State Amtrak Assistance	5,800,000	5,000,000	6,200,000
Amtrak Station Improvements and Advertising	25,000	25,000	25,000
Rail Equipment	0	0	1
Light Rail Safety	0	1	1
Railroad Grade Crossing Safety	0	1,500,000	1,500,000
Aviation Programs			
State Aid to Airports	6,094,765	4,600,000	4,600,000
Federal Aviation Assistance	10,680,346	11,000,000	11,000,000
Waterways Programs			
Port Authority Assistance	201,144	300,000	300,000
TOTAL	\$ 48,013,753	\$ 53,445,347	\$ 54,645,566
PERSONAL SERVICE			
General Revenue Fund	259,458	289,321	295,107
Federal Funds	297,418	473,550	403,695
State Highways and Transportation Department Fund	159,096	163,675	145,194
Other Funds	294,964	815,457	810,838
EXPENSE AND EQUIPMENT			
General Revenue Fund	12,654	22,105	22,053
Federal Funds	127,673	650,000	400,000
State Road Fund	8,995	15,000	15,000
Other Funds	104,455	311,083	191,150
PROGRAM SPECIFIC DISTRIBUTION			
General Revenue Fund	7,249,263	6,483,114	7,683,114
Federal Funds	28,720,226	32,023,331	32,381,405
Grade Crossing Safety Account	0	1,500,000	1,500,000
Other Funds	7,976,848	6,933,122	7,032,421
FUND TRANSFERS			
General Revenue Fund	2,802,703	3,765,589	3,765,589
TOTAL	\$ 48,013,753	\$ 53,445,347	\$ 54,645,566
General Revenue Fund	10,324,078	10,560,129	11,765,863
Federal Funds	29,145,317	33,146,881	33,185,100
Grade Crossing Safety Account	0	1,500,000	1,500,000
State Road Fund	8,995	15,000	15,000
State Highways and Transportation Department Fund	159,096	163,675	145,194
Other Funds	8,376,267	8,059,662	8,034,409
Full-time equivalent employees	22.59	36.00	36.00

DEPARTMENT OF TRANSPORTATION

MULTIMODAL OPERATIONS AND PROGRAMS (Continued)

MULTIMODAL OPERATIONS

This section consists of the non-highway programs, including aviation, transit, rail, and waterways. Transportation in Missouri is much more than roads and bridges. MoDOT administers a number of state and federal programs that support various modes of transportation.

The transit section provides financial and technical assistance to public transit and specialized transit providers across the state. This function is carried out through the administration of state and federal programs related to general public transportation as well as specific transit programs for agencies serving senior citizens and/or persons with disabilities.

The rail section is responsible for improving freight rail services, passenger rail service, and the railroad/highway grade crossing safety program in the state. The rail unit also prepares and implements a state rail plan and administers federal funds to increase safety at railroad crossings.

The aviation section oversees state and federal funding programs for airport maintenance and capital improvement projects. This section is also responsible for airport safety inspections, maintaining the state airport systems plan, and working with local governments to secure federal aviation funding and successfully implement airport improvement plans.

The waterways section assists cities and counties in forming port authorities, which foster local economic growth. It also provides technical assistance and a limited amount of capital and administrative funding to assist with port operations.

Fiscal Year 2005 Governor's Recommendations

- \$12,299 aviation trust fund for reimbursement of professional and technical services funded from the state highways and transportation department fund.
- 0.21 staff to allocate staff time to the appropriate funding source.
- \$32,447 for pay plan, including \$5,786 general revenue.
- (\$402,601) and (0.21) staff core reduction from the Fiscal Year 2004 appropriation level, including (\$52) general revenue.

CAPITAL ASSISTANCE FOR TRANSPORTATION OF ELDERLY AND DISABLED CITIZENS

The transit section administers the federal Section 5310 program that provides assistance to local not-for-profit transportation providers and public entities serving the elderly and people with disabilities. These entities use the federal funds to match local funds for purchasing vehicles.

Fiscal Year 2005 Governor's Recommendations

- \$80,130 federal funds for bus, van, and related equipment purchases by local, not-for-profit transit providers and public entities.

STATE AID FOR TRANSPORTATION OF ELDERLY, DISABLED, AND LOW-INCOME CITIZENS

The Missouri Elderly and Handicapped Transportation Assistance Program provides operating assistance for not-for-profit transportation providers serving elderly and disabled Missourians. State funds are used to match local, private, and federal funds available to these providers.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

SMALL URBANIZED TRANSIT ASSISTANCE

The federal Section 5307 program provides operating and capital assistance to public transportation systems in cities with populations between 50,000 and 200,000. These federal funds can be used as an offset for up to 50% of operating losses and up to 80% of capital expenses such as vehicle and equipment purchases.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

DEPARTMENT OF TRANSPORTATION

MULTIMODAL OPERATIONS AND PROGRAMS (Continued)

SMALL URBAN AND RURAL TRANSPORTATION PROGRAM

Federal funds authorized under Section 5311 and administered by the transit section may be used to assist small urban and rural areas with a population less than 50,000. These federal funds can be used to offset up to 50 percent of operating losses/administrative expenses and up to 50 percent of capital expenses such as vehicle and equipment purchases.

Fiscal Year 2005 Governor's Recommendations

- \$233,131 federal funds for operating assistance for non-urbanized areas and small city transit systems.

PUBLIC TRANSIT CAPITAL GRANTS

The federal Section 5309 program is also administered by the transit section and provides financial assistance to rural and urban transit operators. These funds can be used to purchase buses and bus-related facilities and equipment.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

PLANNING GRANTS

Federal funds available through the Section 5303 program enable metropolitan transit planning activities in seven metropolitan areas – St. Louis, Kansas City, Springfield, Columbia, St. Joseph, Joplin, and Jefferson City. This program supports demographic forecasting, corridor studies, transit service analysis, route and schedule evaluation, financial capacity analysis, special needs investigations, and transit management studies.

Fiscal Year 2005 Governor's Recommendations

- \$44,812 federal funds for financial assistance to metropolitan transit planning organizations.

LOCAL RAIL FREIGHT ASSISTANCE PROGRAM

This program distributes federal financial assistance for acquisition, rehabilitation, improvement, or rail facility construction assistance. Program activities are contingent upon the availability of federal funding through Section 5 of the Department of Transportation Act.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

STATE PASSENGER RAIL ASSISTANCE AND STATION IMPROVEMENTS

Through the state Passenger Rail Assistance Program, Missourians are able to enjoy the benefits of service between Kansas City and St. Louis, with stops at various cities along the route. The state pays for a portion of the costs to run the twice-daily train route in addition to providing a small amount of assistance for station improvements.

Fiscal Year 2005 Governor's Recommendations

- \$1,200,000 to continue twice-daily passenger rail service across the state.

RAIL EQUIPMENT

As the federal government considers a nationwide system of high-speed rail transportation, federal funds may become available to states.

Fiscal Year 2005 Governor's Recommendations

- \$1 federal funds on an open-ended basis for the study of high-speed rail service.

DEPARTMENT OF TRANSPORTATION

MULTIMODAL OPERATIONS AND PROGRAMS (Continued)

LIGHT RAIL SAFETY

This program provides staff to investigate any accidents involving the light rail system. The light rail operators bear the cost of this program through reimbursements for the state services.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

RAILROAD GRADE CROSSING SAFETY

This program provides state and federal resources to complete projects improving the safety of railroad grade crossings. The state funds come from a portion of the fee for motor vehicle licensing.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

STATE AID TO AIRPORTS/FEDERAL AVIATION ASSISTANCE

This program uses state and federal funds for airport capital improvements; maintenance of runways, taxiways, and aprons; and for emergency repairs on safety-related items. The state portion of these projects is funded from the aviation trust fund, which receives the use tax collected on aviation fuel.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.

STATE AID TO PORT AUTHORITIES

This program provides a limited amount of assistance to local port authorities for administration, planning, and development activities. The active port authorities in Missouri are the Howard/Cooper County Regional Port Authority, Jefferson County Port Authority, Pemiscot County Port Authority, Southeast Missouri Regional Port Authority, Mississippi County Port Authority, New Madrid County Port Authority, New Bourbon Port Authority, St. Joseph Regional Port Authority, Lewis County-Canton Missouri Port Authority, and the Ports of Kansas City, St. Louis, and St. Louis County.

Fiscal Year 2005 Governor's Recommendations

Continue funding at the current level.